

House Republican Press Release

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DelGobbo Hails Delay in Federal LICAP Rate Increase



State Rep. Kevin M. DelGobbo, R-70th, Naugatuck, hailed an announcement by the Federal Energy Regulatory Commission today to delay a Local Installed Capacity (LICAP) rate increase as great news for Connecticut.

“I think that’s phenomenal news for Connecticut and for our economy,” said Rep. DelGobbo, ranking member of the legislature’s Energy and Technology Committee who has vigorously opposed the plan. “It would have had a disastrous impact on Connecticut electricity ratepayers.”

Rep. DelGobbo said FERC announced that LICAP proposal is postponed at least until October 2006 and the commission will hold additional hearings on the matter. Governor M. Jodi Rell and the state Department of Public Utility Control both have opposed the plan.

Rep. DelGobbo added, “ I am very pleased with the fact that they delay any implementation at least until next fall, and they will be hearing further arguments on the issue. I firmly believe LICAP as a mechanism not going to work and will have devastating implications for Connecticut. I am very happy that we will have a chance to make further arguments against it.”

He noted that the estimated cost to the New England economy would be more than \$13 billion over the next five years, and that Connecticut ratepayers faced a \$500-million rate increase next year.

Rep. DelGobbo state that he is disappointed the FERC still appears ready to move forward with a plan to divide Connecticut into two electric rate zones January 1, 2006. He said he will continue to oppose the splitting of Connecticut into two zones as well as the LICAP plan as a whole.